GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1989
ANSWERED ON:13.03.2007
EXPORT OF ONION
Pallani Shamy Shri K.C .

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether a huge quantity of export of onion is leading to sharp rise in its prices and shortage of onion in the country;

(b) if so, the total quantity of onion produced, demanded and exported during the last three years;

(c) whether the Government has taken any action to reduce the steep hike in the prices of onion in the country;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) The production and export of onion during 2006-07 has been more as compared to that in the last three years. However, the increase in export has had not much impact on the availability of onion in the domestic market. According to the National Horticulture Research and Development Foundation (NHRDF) the export of onion from the country is only 10-15% of the total annual production of onion.

(b) The production and export of onion during the last three years and in the current year upto 07.03.07 is given below:

(Figures in lakh metric tons)

Year	Production	Quantity exported
2003-04	57.21	8.41
2004-05	59.42	9.41
2005-06	62.23	7.78
2006-07	66.08	10.61

(Source: NHRDF)

(c) Yes, Sir.

(d) The National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) is monitoring arrivals, prices and export of onion on a daily basis. To curb the rising trend of onion, following measures have been taken by it:-

(i) It has started distribution of onion in Delhi w.e.f. 16.02.2007 through its static outlets and mobile vans at a price of Rs.11.00 per kg;

(ii)The Minimum Export Price of onion has been increased from US $ 220 per metric ton to US $ 345 per metric ton between 19.12.06 to 20.02.2007 so as to that restrict exports and increase availability in domestic market;

(iii) Instructions have been issued for issue of " No Objection Certificates" for export of onion in such a manner that unscrupulous elements do not take benefit of hoarding/unfair accumulation of NOCs; and

(iv) Chief Secretaries of Uttar Pradesh, Bihar, Orissa, Uttranchal, West Bengal, Punjab, Haryana, Himachal Pradesh and other North Eastern States where availability of onion is less and prices are ruling on higher side have been requested to send their requirement of onion to NAFED so that supply can be made as per their indent.

The Department of Commerce has also issued instructions for issue of 'NOC' for exports only when the shipment is actually ready. Fresh "NOCs" to be issued to an Associate Shipper only on receipt of export utilization report of the "NOCs" given to it earlier.

(e) Does not arise.